

City of Wenatchee Parks and Recreation Department

Pricing Plan



City of Wenatchee
Parks and Recreation
August 2011

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PURPOSE OF PRICING POLICY

The City of Wenatchee is committed to providing outstanding public parks and recreation facilities along with quality recreation programs. The demands for parks, facilities and programs coupled with rising operating and capital costs makes it challenging to maintain existing levels of service as well as providing new ones.

The pricing policy for the Wenatchee Parks and Recreation Department is designed to provide consistent guidelines for the establishment of fees and charges for facilities, programs and services. It provides a basis to allow elected officials, staff and the general public to better understand the philosophy behind how fees and charges are established for a program or service. Furthermore, it establishes a unified process that addresses whether a service is a core or a non-core function for the community, establishes cost recovery levels and if it is a public, merit, or private program or service.



PRICING PHILOSOPHY OVERVIEW

Historically, the pricing philosophy within the Parks and Recreation Department has been based on the perception of affordability. Fee adjustments have been completed based on recommendations from staff after completing comparisons with other area agencies. To foster participation, registration fees and charges are minimized for community events, youth and family oriented recreation programs and programs for persons with special needs. To assist in reducing program budget impacts and help maintain affordability, program expenses are supplemented through the use of donations, sponsorships and grants.

Following a review of other parks and recreation agencies throughout the State, a differential fee structure was implemented in 2008 which established a 10% discount on fees and charges to residents living within the corporate boundary of the City of Wenatchee.

In 2009, a Youth Recreation Scholarship Program was established through the receipt of a grant from the Community Foundation of North Central Washington. Through this program, youth with a verified financial need may receive financial assistance to cover all or part of the registration fees for youth tennis and basketball, swimming lessons and day camp programs.

CURRENT FEES AND CHARGES

Parks and recreation fees and charges are recommended by staff, reviewed by the Parks and Recreation Advisory Board or Community Center Advisory Board and officially established by ordinance of the City Council. Fees are reviewed and adjusted annually. Fees and charges are collected for:

- Swimming pool rentals
- Swimming pool general admissions
- Showers at the swimming pool

- Rental of the swimming pool by competitive teams
- Recreation program registration
- Picnic shelter and stage reservations
- Special event permits
- Processing of refunds
- Swimming lesson registration
- Park concessions
- Community Center facility rentals
- Damage and cleaning deposits
- Community Garden plot rentals



Revenues are deposited in the City General Fund with the exception of the fees collected for use of the Wenatchee Community Center. Those fees are maintained in a separate Community Center Fund (114).

Currently, each division within the Parks and Recreation Department (Community Center, Aquatics, and Recreation) function separately and, in some cases, are governed by additional grant regulations with respect to cost recovery and user fee strategies.

PRICING PHILOSOPHY

To provide consistency, a philosophy should be implemented that establishes the foundation for which pricing decisions are based. The following are ten factors to consider when establishing a philosophy.

1. *RATIONALE*

A formal policy of pricing services that addressed the personal benefits received over and above a general tax payer, the need to offset operating cost and support budget deficiencies should be adopted. This approach will provide a fair and equitable method to distribute City resources to the largest number of users of the system.

2. *AUTHORIZATION*

Ideally, prices should be created that are based on the level of desired income or subsidy level needed to meet the operational budget requirements to keep the programs or services in a sustainable position. Pricing based on established recovery goals will provide staff with the flexibility to maximize all pricing alternatives to the fullest while not eliminating the evaluative process. Authorizing staff to work within a pricing range or policy will permit prices to be established that are based on the different pricing options such as primetime/non-primetime rates, weekday and weekend rates, and by level of benefit received.

3. *REVENUE PHILOSOPHY*

A formalized philosophy that not only promotes revenue sustainability to offset operating costs, but also allows for revenues that are collected to remain within the specific program should be adopted. In return, this will build incentives for staff to be more aggressive in seeking donations, grants and other sources revenues to support specific programs or activities. User support for pricing services should be enhanced as revenues would be provided to directly to specific programs to improve program quality and not support general governmental services.

4. CITIZEN INPUT

Citizen input into pricing of services allows customers to pick and choose what components of the service they want to select. This approach is helpful in the establishment of multi-tiered pricing options. This includes allowing users to pick and choose what level of quality or quantity they want and pay accordingly. One price fits all does not work effectively in maximizing pricing alternatives and in gaining revenue sustainability or community support.

5. PROGRAM SERVICES AND CLASSIFICATIONS

Pricing of programs and services should be classified into levels. Pricing classifications encourage users to move to a classification option that best fits their schedule and price point. Classifications include the following:

- Primetime
- Incentive pricing
- Non-primetime
- Length of stay pricing
- Cost recovery goal pricing
- Multi-tiered program pricing
- Level of exclusivity pricing
- Group discounting and packaging
- Age segment pricing
- Volume pricing
- Level of private gain pricing



These classifications would be applied to the following services:

- Admissions
- Permits
- Reservations and Rentals
- Program Registration Fees and Charges
- Concessions

6. LEVEL OF BENEFIT

Pricing should be based on the level of benefit received. The higher the benefit to the individual above what a member of the general population receives should be considered and the service priced accordingly.

7. BUDGET TRACKING

Department staff should develop a program budget format that will support an effective activity based costing process that includes direct and indirect costs to determine cost per experience and level of subsidy before pricing of the product or service. This will facilitate efficient decision making in determining the most cost effective method to price the program, activity or admission.

8. PRICING METHODS

The pricing methods outlined in this policy should be incorporated into admissions, programs, services, and facilities.

9. PRICING EXPECTATIONS

Customers expect a higher quality of service when fees and charges are collected. To address expectations, written program and facility standards should be developed, implemented and promoted.

10. COMMUNICATING COSTS

In all cases, communicating the actual costs of a service or program will increase understanding of the value that participants receive. Messages that convey the benefits received versus the features of the program and or the service and the City's subsidy through Department programs and facilities will increase user understanding of the pricing philosophy.

PROGRAM COSTS

Costs are defined in terms of Direct and Indirect costs.

DIRECT COSTS

These are costs that are directly tied to the provision a particular program or activity. This includes items such as: Facility rental, program supplies and instructor fees.

INDIRECT COSTS

These are costs that are necessary for the organization to function, but are not tied directly to a specific program. This may include: Supervisory personnel salaries, city overhead, insurance, utilities etc.

TOTAL COSTS

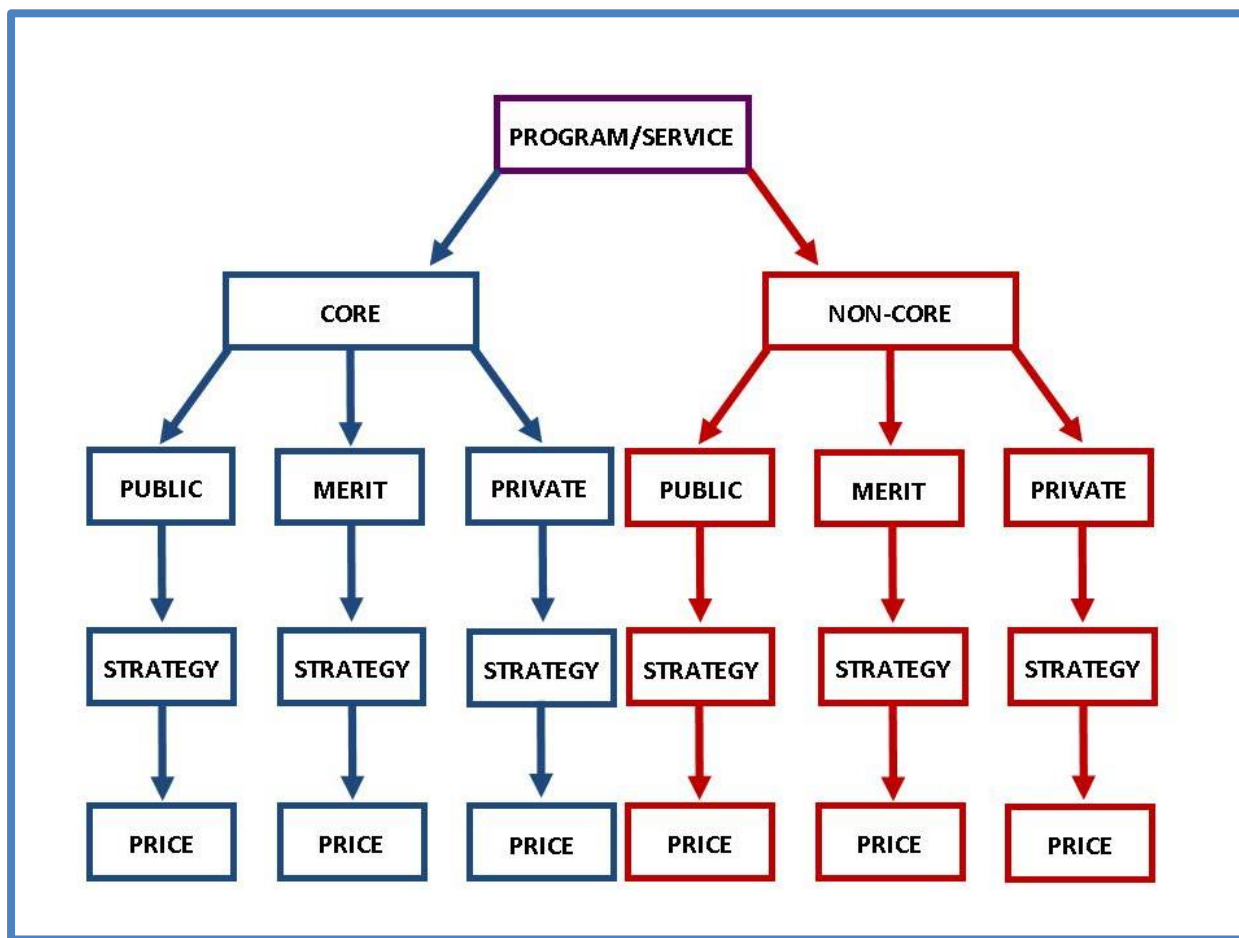
The total cost associated with the provision of the program or service is the sum of all of the costs.



PRICING PROCESS

The guiding principles of the Wenatchee Parks and Recreation Department's pricing policy are based on a clear understanding of what the core and non-core services are; what programs and services are public services, merit services and private services; the direct and indirect costs associated with providing the program or service; and the level of benefit and exclusivity the user directly receives over and above what a general tax payer receives. The percentage of cost recovery the program is trying to recover measured against the program functional areas and specific budget and the activity goal within a specific core business is also included for comparison purposes.

The multi-tiered process that progresses from broad to specific was utilized when establishing prices for programs or services. Individual programs or services were evaluated to determine if they are a core function of City services. Programs were then categorized into public, merit or private program types. Programs and services were then evaluated and placed into an appropriate pricing classification strategy based on both the individual program and the program functional area. Finally, the fees and charges were established for the specific program based upon the philosophy and programmatic goals.



IDENTIFICATION OF CORE PROGRAMS

Program criteria were developed to help distinguish “core” (versus extraneous) programs and services. Applied to a list of all of the current programs and services, the criteria will help focus resources on those areas most critical to residents and visitors and help achieve financial sustainability. Further, from a tax payer perspective it helps to justify the City’s investment in providing programs and services that enhance the quality of life and livability of the community. Programs were assessed based on their CURRENT state only without introducing hypothetical factors.

A Core Program will meet or exceed 65% of the criteria below.

1. Does the program/service align with the Mission and Vision of the Parks and Recreation Department?

Mission: To build a healthy community through people, parks and programs.

Vision: Partner with the community to provide innovative and high value parks, facilities, and programs and services that promote an engaged and healthy community.

2. The program has been provided by the City for a long period of time (15 years or longer) and has grown to be expected by the community.
3. The core program consumes a large portion of the appropriate division budget (recreation, aquatics, community center etc.) to deliver the program (staffing, supplies/materials) and has revenue sustainability.
4. Participation in the program/service is at 80% or more of its program capacity each season it is offered.
5. The program is experienced by a broad range (age and other demographics) of community residents.
6. There are tiered levels of skill development available within the program.
7. Full-time staff or contractors are dedicated and responsible for the actual execution of the program.
8. Recreation facilities are designed specifically to support the program.
9. The Parks and Recreation Department currently controls a significant percentage (20% or more) of the program market locally.
10. The program has been in a growth or mature stage of its lifecycle for a long period of time and has long-term participation appeal. A program cycle will begin with a growth phase, plateau at a mature stage (healthy participation) and then decline downward (reduction in participation) to a program end.
11. The program requires high levels of customer interface (1 staff to 10 participants or less).
12. The program has a strong social value that is part of a solution to a community problem. (e.g. health, crime rate, social isolation, education...)
13. The program has strong economic appeal and a high resident benefit that creates a strong return on investment (ROI) for the City (e.g., tourism activities, business development, and revenue development).
14. The program has a high partnering capability (e.g., matching funds, renting a facility or partnering in the development of a facility, program, or event).
15. 90% or more of the participants are residents of Wenatchee.

CORE PROGRAM EVALUATION RESULTS

The following are the results from the core program assessment based on the criteria listed above. Programs are listed by functional area. The rating spreadsheet is contained in Appendix A.

CORE PROGRAMS

ATHLETICS

- Hershey Track and Field
- Youth Recreational Basketball

AQUATICS

- Swimming Lessons
- Apple Capital Swim Meet*

OUTDOOR PROGRAMS

- Park Wading Pool Program
- Family Outdoor Adventures
- Community Garden
- Snow Shoe Hike Series



SPECIAL EVENTS

- Independence Day Celebration
- Concert in the Park Series
- Special Olympics State Winter Games
- Halloween Carnival

SPECIAL NEEDS PROGRAMS

- Special Needs Social Program
- Special Olympic Sports

YOUTH RECREATION

- None

FACILITY USE

- Special Event Permit Uses* (Apple Blossom Festival, Wenatchee Criterion etc.)
- Splash Pad Operation



* Program or event is not a City coordinated event, but may utilize a City facility.

NON-CORE PROGRAMS

Non-Core Programs does not mean that they are non-essential, but it requires that the Department manage them from a slightly different perspective. These programs tend to focus more on the individual value obtained by a user that is over and above what a general taxpayer may receive. Given these conditions, it is imperative that the users share a greater burden of the program costs to help ensure the financial sustainability of the program.

ATHLETICS

- Youth Tennis Lessons
- Skyhawks Basketball Camp
- Skyhawks Soccer Camp
- Skyhawks Mini Hawk Camp
- Skyhawks Multi Sport Camp
- Skyhawks Golf Camp
- Skyhawks Tiny Hawk Camp
- Women's Volleyball

AQUATICS

- Lap Swim
- Public Swim
- Pool Rental

OUTDOOR PROGRAMS

- Spring Break Paddle Camp
- Junior Rowing Camp

SPECIAL EVENTS

- Winter Flake Festival
- Movie in the Park Series

SPECIAL NEEDS PROGRAMS

- Polar Bear Plunge
- Fall Into Fitness
- Spring Fitness

YOUTH RECREATION

- Indoor Playground
- After School Action
- Summer Day Camp

FACILITY USE

- Picnic Shelter Rentals
- Stage Rentals
- Community Center Rentals



PUBLIC, PRIVATE OR MERIT PROGRAMS

The following are definitions and classifications for Public, Private and Merit programs.

PUBLIC SERVICES

Public services normally have low level or no user fees associated with their consumption. The cost for providing these services is borne by the general tax base. Public services are those services that the Parks and Recreation Department offers that provide all users the same level of opportunity to access the service. Examples of Public Services are: Use of a picnic shelter without a reservation or free community events.



MERIT SERVICES

Merit Services can be priced using either a partial overhead pricing strategy or a variable cost pricing strategy. Partial overhead pricing strategies recover all direct operating costs and some determined portion of indirect costs. The portion of indirect costs not recovered by the price established represents the tax subsidy.

Merit Services are generally those where the user receives a higher level of benefit than the general taxpayer, yet the taxpayer may indirectly benefit as the service helps to provide a more livable community. Examples of Merit Services are: Youth sports, after-school programs, and special events.

PRIVATE SERVICES

Private Services are those that the user of the service is the only one that receives benefits from using the service. In these cases a full cost recovery strategy is usually implemented. The price of the particular service is intended to recover all direct and indirect costs associated with the service. Examples of Private Services are: Facility rentals for private functions.

Existing programs and services may be classified as follows:

CORE PUBLIC

- Family Outdoor Adventures
- Park Wading Pool Program
- Independence Day Celebration
- Concerts in the Park
- Special Olympics State Winter Games
- Halloween Carnival
- Splash Pad use
- Picnic Shelter use (non-scheduled)
- Park use (non-scheduled)
- Special Event Permit uses



CORE MERIT

- Hershey Track and Field
- Youth Recreation Basketball

- Swimming Lessons
- Special Needs Social Program
- Special Olympic Sports
- Community Garden
- Snow Shoe Hike Series

CORE PRIVATE

- None

NON-CORE PUBLIC

- Winter Flake Festival
- Movie in the Park Series
- After School Action

NON-CORE MERIT

- Youth Tennis Lessons
- Women's Volleyball
- Fall Into Fitness
- Spring Into Fitness
- Summer Day Camp
- Indoor Playground
- Junior Rowing Camp
- Spring Break Paddle Camp
- Skyhawks Basketball Camp
- Skyhawks Soccer Camp
- Skyhawks Mini Hawk Camp
- Skyhawks Multi Sport Camp
- Skyhawks Golf Camp
- Skyhawks Tiny Hawk Camp

NON-CORE PRIVATE

- Picnic Shelter rentals
- Community Center rentals
- Pool rentals
- Stage rentals



COST RECOVERY GOALS

Based on the program evaluation process, cost recovery goals were established by program functional area. Individual programs within the functional areas may have varying cost recovery goals but their aggregates should aim to meet the system-wide goals. Also, individual programs within each core or non-core program are classified as Public, Private or Merit based and may have differing cost recovery rates than that of the entire functional program area. Detailed cost recovery data is contained in Appendix B for the current offering of programs.

CORE PUBLIC

• Family Outdoor Adventures	100% Direct
• Park Wading Pool Program	0% Direct
• Independence Day Celebration	100% Direct
• Concerts in the Park	100% Direct
• Special Olympics State Winter Games	100% Direct
• Halloween Carnival	100% Direct
• Splash Pad Use	0% Direct
• Picnic Shelter use (non-scheduled)	0% Direct
• Park use (non-scheduled)	0% Direct
• Special Event Permit uses	0% Direct

CORE MERIT

• Hershey Track and Field	150% Direct
• Youth Recreation Basketball	150% Direct
• Swimming Lessons	150% Direct
• Special Needs Social Program	100% Direct
• Special Olympic Sports	25% Direct
• Snow Shoe Hike Series	100% Direct
• Community Garden	100% Direct

CORE PRIVATE

- None

NON-CORE PUBLIC

• Winter Flake Festival	100% Direct
• Movie in the Park Series	100% Direct
• After School Action	25% Direct

NON-CORE MERIT

• Youth Tennis Lessons	175% Direct
• Women's Volleyball	175% Direct
• Fall Into Fitness	175% Direct
• Spring Into Fitness	175% Direct
• Summer Day Camp	175% Direct
• Indoor Playground	175% Direct
• Junior Rowing Camp	175% Direct
• Spring Break Paddle Camp	175% Direct
• Skyhawks Basketball Camp	100% Direct
• Skyhawks Soccer Camp	100% Direct
• Skyhawks Mini Hawk Camp	100% Direct
• Skyhawks Multi Sport Camp	100% Direct
• Skyhawks Golf Camp	100% Direct
• Skyhawks Tiny Hawk Camp	100% Direct

NON-CORE PRIVATE

- | | |
|----------------------------|------------|
| • Picnic Shelter rentals | 50% Direct |
| • Community Center rentals | 50% Direct |
| • Pool rentals | 25% Direct |
| • Stage rentals | 50% Direct |

Pricing goals that focus on maximizing the capacity of use of recreation facilities and programs should be implemented based on the following pricing methods:

- Price facilities and programs by primetime and non-primetime for the pool and picnic shelters.
- Price by location for picnic areas.
- Price services by age segment as it applies to youth and teen classes, adult classes, families and seniors.
- Review and adjust differential pricing by level of class, by level of instruction, level of exclusivity, by time, size of group, resident and non-resident.
- Price services that include capital replacement cost in fees for equipment, buildings or park amenities.
- Incentive pricing needs to be allowed that focus on discounts for early registration, season passes, group admission rates, rental uses, number of classes taken in a year and for loyalty.
- All pricing involved in facility cost recovery needs to be established against a targeted goal, by age segment, by primetime and non-primetimes, by volume and by group.
- Update the pricing strategy every two years for consistency and implementation impact to the operational budget.

PROGRAM RECOMMENDATIONS

The tables in Appendix C depict the current and desired level of cost recovery and consequently the recommended pricing for specific programs. The following is the methodology employed to develop the pricing recommendations.

METHODOLOGY

- Using the Cost of Service Analysis, the direct and indirect cost of a program and the revenue generated was obtained. This reveals the current cost recovery percentage of that program area.
- The total number of participants for each program was evaluated against the total program cost resulting in the provided the cost per participant value.
- Each program was classified as Core / Non-Core based on their utility and need to the community. Further the program classification sought to assign Public / Merit / Private categories to individual program types based on the value they offer over and above the basic

service provided. These classifications and the governing philosophy of the Department help determine the cost recovery percentage (of Direct Expenses) that would be appropriate for the respective programs.

- The recommended pricing was derived from applying the percentage difference in the current and expected cost recovery to the current prices for the program.





***Appendix A
Core/Non-Core Program Evaluation Matrix***

CORE PROGRAM IDENTIFICATION																
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	TOTAL
	Mission	Length	Budget	Capacity	Demo	Skills	FTE	Facilities	Market	Growth	Ratio	Social	Economic	Partner	Residents	
ATHLETICS																
	Hershey Track and Field	1	1	1		1			1	1	1	1			1	66.667
	Youth Tennis Lessons	1	1			1				1	1	1			1	53.333
	Youth Recreation Basketball League	1		1		1	1		1	1	1	1		1	1	73.333
	Skyhawks Basketball Camp	1		1		1	1		1		1	1		1	1	60
	Skyhawks Soccer Camp	1		1		1	1		1		1	1		1	1	60
	Skyhawks Mini Hawk Camp	1		1		1	1		1		1	1		1	1	60
	Skyhawks Tiny Hawk Soccer	1		1		1	1		1		1	1		1	1	60
	Skyhawks Golf Camp	1		1		1	1		1		1	1		1	1	60
	Skyhawks Multi-Sport Camp	1		1		1	1		1		1	1		1	1	60
	Women's Volleyball	1		1					1	1		1			1	40
AQUATICS																
	Swimming Lessons	1	1	1		1		1		1	1	1			1	66.667
	Lap Swim	1	1		1			1							1	33.333
	Public Swim	1	1			1		1		1					1	40
	Pool Rental	1	1		1			1		1					1	40
	Apple Capital Swim Meet	1	1	1	1	1		1	1	1	1		1	1		66.667
	Starlight Invitational Meet	1	1		1	1		1	1	1			1	1		60
OUTDOOR PROGRAMS																
	Guided Nature Hikes/Family Outdoor Adventures	1		1	1	1	1		1	1				1	1	66.667
	Wading Pool Program	1	1	1	1		1	1	1	1		1			1	66.667
	Spring Break Paddle Camp	1				1	1		1		1	1		1	1	53.333
	Junior Rowing Camp	1				1	1		1		1	1		1	1	53.333
	Snow Shoe Hikes For Families	1		1	1	1	1		1	1	1	1		1	1	66.667
	Community Garden	1		1	1		1	1	1	1		1		1	1	66.667

CORE PROGRAM IDENTIFICATION																
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	TOTAL
	Mission	Length	Budget	Capacity	Demo	Skills	FTE	Facilities	Market	Growth	Ratio	Social	Economic	Partner	Residents	
SPECIAL EVENTS																
	Halloween Carnival	1	1		1	1		1		1		1		1	1	66.667
	Winter Flake Festival	1	1		1	1	1		1	1				1	1	53.333
	Special Olympics Winter Games	1	1		1		1	1	1	1		1	1	1	1	66.667
	Movies in the Park	1			1	1	1		1	1		1		1	1	60
	Friday Night Concerts	1			1	1	1		1	1		1	1	1	1	66.667
	Independence Day Celebration	1	1		1	1	1	1	1	1		1	1	1	1	66.667
SPECIAL NEEDS PROGRAMS																
	Special Needs Social Program	1			1	1	1		1	1	1			1	1	73.333
	Polar Bear Plunge	1			1		1	1	1	1				1	1	46.667
	Special Olympics Sports	1	1		1		1	1	1	1	1	1		1	1	73.333
	Fall Into Fitness	1			1		1		1	1		1			1	46.667
	Spring Fitness	1			1		1		1	1		1			1	46.667
YOUTH RECREATION																
	Summer Day Camp	1	1	1					1	1	1	1			1	60
	Indoor Playground	1			1				1	1		1			1	40
	After School Action	1									1	1			1	26.667
	1															
FACILITY USE																
	Picnic Shelter and Stage Rentals	1	1		1	1		1	1	1				1	1	60
	Special Event Permits	1	1		1		1		1	1		1	1	1	1	66.667
	Community Center Rental	1				1		1				1		1	1	46.667
	Splash Pad Operation	1			1	1		1	1	1		1	1	1	1	66.667



Appendix B
Program Budget/Cost Recovery Data

PROGRAM BUDGET	REVENUES							DIRECT EXPENSE				BALANCE
	Registration	Sales	Sponsorships	Donations	Grants	Other	TOTAL	Staff	Supplies	Facilities	Other	
	Fees						REVENUE					
AS OF 8/17/11												
Receipt #70489 Invoice 0033407												
SPECIAL EVENTS												
Independence Day Celebration	\$ -						\$ -	\$ 104.40	\$ 77.83	\$ -		\$ 182.23 \$ (182.23)
Special Olympics State Winter Games	\$ -						\$ -	\$ 182.07	\$ 52.06	\$ -		\$ 234.13 \$ (234.13)
Café Mela Summer Concerts	\$ -						\$ -	\$ -	\$ 234.58	\$ -		\$ 234.58 \$ (234.58)
Halloween Carnival	\$ -						\$ -	\$ 185.84	\$ 769.01	\$ -		\$ 954.85 \$ (954.85)
Winter Flake Festival	\$ -						\$ -	\$ 94.05	\$ 172.34	\$ -		\$ 266.39 \$ (266.39)
Movies in the Park	\$ -						\$ -	\$ 94.45		\$ -		\$ 94.45 \$ (94.45)
ATHLETICS												
Youth Basketball	\$ 7,912.00			\$ 200.00			\$ 8,112.00	\$ 1,146.13	\$ 741.44	\$ -		\$ 1,887.57 \$ 6,224.43
Youth Tennis	\$ 869.00						\$ 869.00	\$ 303.45	\$ -	\$ -		\$ 303.45 \$ 565.55
Women's Volleyball	\$ 1,095.00						\$ 1,095.00	\$ -	\$ 311.81	\$ -		\$ 311.81 \$ 783.19
Hershey Track and Field	\$ 3,483.00						\$ 3,483.00	\$ 357.99	\$ 889.12	\$ 80.00		\$ 1,327.11 \$ 2,155.89
Skyhawks Sports Camps	\$ 1,369.50						\$ 1,369.50	\$ -	\$ -	\$ -		\$ - \$ 1,369.50
SPECIAL POPULATIONS												
Polar Bear Plunge	\$ -						\$ -	\$ -		\$ -		\$ - \$ -
Special Needs Social Program	\$ -			\$ 150.00	\$ 8,000.00		\$ 8,150.00	\$ 2,342.88	\$ 5,267.39	\$ 325.00		\$ 7,935.27 \$ 214.73
Fall Into Fitness	\$ 480.00						\$ 480.00	\$ 212.40	\$ -	\$ -		\$ 212.40 \$ 267.60
Special Olympic Sports	\$ 525.00						\$ 525.00	\$ 6,607.21	\$ 201.44	\$ -		\$ 6,808.65 \$ (6,283.65)
Spring Into Fitness	\$ 280.00						\$ 280.00	\$ 132.75		\$ -		\$ 132.75 \$ 147.25
OUTDOOR PROGRAMS												
Family Outdoor Adventures	\$ -						\$ -	\$ 78.03	\$ -	\$ -		\$ 78.03 \$ (78.03)
Snow Shoe Hike Program	\$ 635.50						\$ 635.50	\$ 106.21	\$ -	\$ -		\$ 106.21 \$ 529.29
Junior Rowing Camp	\$ 205.00						\$ 205.00	\$ -	\$ -	\$ -		\$ - \$ 205.00
Spring Break Paddle Camp	\$ 206.50						\$ 206.50	\$ -	\$ 120.50	\$ -		\$ 120.50 \$ 86.00
Wading Pool Program	\$ -						\$ -	\$ 8,177.75	\$ 1,361.93	\$ -		\$ 9,539.68 \$ (9,539.68)
YOUTH RECREATION												
Indoor Playground	\$ 678.75						\$ 678.75	\$ 1,026.21	\$ 46.80	\$ 1,918.00		\$ 2,991.01 \$ (2,312.26)
Summer Day Camps	\$ 21,973.00						\$ 21,973.00	\$ 17,761.24	\$ 1,040.88	\$ 2,344.00		\$ 21,146.12 \$ 826.88
After School Action	\$ -						\$ -	\$ 4,283.39	\$ 530.24	\$ 3,404.15		\$ 8,217.78 \$ (8,217.78)

COST OF SERVICE				CURRENT				COST		
	TOTAL	TOTAL	BALANCE	COST	PARTICIPANTS	COST PER	PRICES	RECOVERY	NEW	NOTES
	REVENUE	DIRECT EXPENSE		RECOVERY		PART. VALUE		GOAL	PRICE	
SPECIAL EVENTS										
Independence Day Celebration	\$ -	\$ 182.23	\$ (182.23)	0%	10000	\$ 0.02	\$0	100%	\$200	Sponsor
Special Olympics State Winter Games	\$ -	\$ 234.13	\$ (234.13)	0%	4608	\$ 0.05	\$0	100%	\$250	Sponsor
Café Mela Summer Concerts	\$ -	\$ 234.58	\$ (234.58)	0%	2350	\$ 0.10	\$0	100%	\$250	Sponsor
Halloween Carnival	\$ -	\$ 954.85	\$ (954.85)	0%	2300	\$ 0.42	\$0	100%	\$1,000	Sponsor
Winter Flake Festival	\$ -	\$ 266.39	\$ (266.39)	0%	1500	\$ 0.18	\$0	125%	\$350	Sponsor
Movies in the Park	\$ -	\$ 94.45	\$ (94.45)	0%	900	\$ 0.10	\$0	125%	\$125	Sponsor
ATHLETICS										
Youth Basketball	\$ 8,112.00	\$ 1,887.57	\$ 6,224.43	176%	191	\$ 9.88	\$40/\$44	150%	\$45.00/\$49.50	
Youth Tennis	\$ 869.00	\$ 303.45	\$ 565.55	165%	36	\$ 8.43	\$23/\$25	175%	\$27.00/\$29.50	
Women's Volleyball	\$ 1,095.00	\$ 311.81	\$ 783.19	171%	100	\$ 3.12	\$10/\$11	175%	\$17.00/\$19.00	
Hershey Track and Field	\$ 3,483.00	\$ 1,327.11	\$ 2,155.89	162%	124	\$ 10.70	\$30/\$33	150%	\$35.00/\$38.50	
Skyhawks Sports Camps	\$ 1,369.50	\$ -	\$ 1,369.50	100%	155	\$ -	\$45/\$95/\$105/\$125	100%	N/A	Set by Skyhawks
SPECIAL POPULATIONS										
Polar Bear Plunge	\$ -	\$ -	\$ -	0%	28	\$ -	\$0	0%	\$0	
Special Needs Social Program	\$ 8,150.00	\$ 7,935.27	\$ 214.73	103%	1130	\$ 7.02	\$0	100%	\$0	Grant Funded
Fall Into Fitness	\$ 480.00	\$ 212.40	\$ 267.60	156%	24	\$ 8.85	\$20	175%	\$25.00	
Special Olympic Sports	\$ 525.00	\$ 6,808.65	\$ (6,283.65)	8%	165	\$ 41.26	\$5	25%	\$10.00	
Spring Into Fitness	\$ 280.00	\$ 132.75	\$ 147.25	152%	19	\$ 6.99	\$20	175%	\$25.00	
OUTDOOR PROGRAMS										
Family Outdoor Adventures	\$ -	\$ 78.03	\$ (78.03)	0%	116	\$ 0.67	\$0	100%	\$100	Sponsor
Snow Shoe Hike Program	\$ 635.50	\$ 106.21	\$ 529.29	183%	148	\$ 0.72	\$3/\$3.25/\$5/\$5.50	100%	\$5.00/\$5.50/\$7.00/\$7.75	
Junior Rowing Camp	\$ 205.00	\$ 120.00	\$ 85.00	141%	4	\$ 30.00	\$50/\$55	175%	\$53.00/\$55.00	Change Format
Junior Paddle Camp	\$ 206.50	\$ 120.50	\$ 86.00	142%	15	\$ 8.03	\$15/\$16.50	175%	\$20.00/\$22.00	
Wading Pool Program	\$ -	\$ 9,539.68	\$ (9,539.68)	0%	4594	\$ 2.08	\$0	0%	\$10.00	Sponsor
YOUTH RECREATION										
Indoor Playground	\$ 678.75	\$ 2,991.01	\$ (2,312.26)	23%	732	\$ 4.09	\$1/\$1.25	175%	\$2.00/\$2.50	Plus \$1,000 Sponsor
Summer Day Camps	\$ 21,973.00	\$ 21,146.12	\$ 826.88	104%	426	\$ 49.64	\$13/\$14/\$19/\$21/\$82/\$90	175%	\$15.00/\$17.50/\$20.00/\$22.00/\$88.50/\$97.50	Program Adjustments
After School Action	\$ -	\$ 8,217.78	\$ (8,217.78)	0%	1424	\$ 5.77	\$0	25%	\$0	Program Adjustments



Appendix C
Specific Program Recommendations

Picnic Shelter Reservation Fee Models

Several models were examined to determine the fee structure for picnic shelter reserved use. The following are the calculations and description of models. 27 Washington cities were used for comparison purposes. Information from those cities is contained on the next page.

Table C-1: Existing Conditions

SHELTER	CAPACITY	1-4 HOURS	OVER 4 HOURS
		RESIDENT/NON RESIDENT	RESIDENT/NON RESIDENT
Rotary	100	\$30/\$33	\$50/\$55
Washington	50	\$30/\$33	\$50/\$55
Lincoln	30	\$30/\$33	\$50/\$55
Methow	20	\$30/\$33	\$50/\$55

PEAK AND NON PEAK SEASON MODEL

The City currently accepts reservations for picnic shelters, 12 months out of the year. Utilities (water/restrooms) are available on a seasonal basis. Shelters may be used on a first come-first served basis when not reserved.

Five of the cities surveyed accepted reservations for shelters during a specific time period. Spokane follows the current model used by Wenatchee. The majority of shelter rentals occur during the time that utilities are available. Based upon the current use and facilities available, it does not appear to be a need at this time to establish a peak and non-peak season for reservations.

NUMBER OF RENTERS MODEL

Four communities base the rental rate on the number of people reported to be attending the rental. The City of Wenatchee utilized this model until 2008. The model was abandoned due to maintenance and policing issues. When reserving a shelter, many renters would indicate that they would have a small number of attendees so they could get the lower reservation rate. Then, when the reservation occurred, there would be much more people in attendance creating a variety of issues from sanitation to noise. In 2008, the structure was changed to a 1-4 hour and over 4 hour period which has eliminated these issues.

SHELTER CAPACITY MODEL

This model uses the occupancy of the shelter as a base to calculate the base reservation fee. Fees are adjusted based on each individual shelter. The Cities of Vancouver, Renton and Spokane Valley utilize this method. Table C-2 illustrates how this model could be applied to the City of Wenatchee shelters.

Table C-2: Shelter Capacity Model

SHELTER	CAPACITY	1-4 HOURS	OVER 4 HOURS	1-4 HOUR
		RESIDENT/NON RESIDENT	RESIDENT/NON RESIDENT	SC MODEL
Rotary	100	\$30/\$33	\$50/\$55	\$100/\$110
Washington	50	\$30/\$33	\$50/\$55	\$50/\$55
Lincoln	30	\$30/\$33	\$50/\$55	\$30/\$33
Methow	20	\$30/\$33	\$50/\$55	\$20/\$22

Reservations for this model would be limited to up to four hour time periods. This model would benefit all Methow Park users and Non-Residents using Lincoln Park, however it is the opinion of staff that this option would be cost prohibitive for user of the more popular Washington and Rotary Parks.

WEEKDAY/WEEKEND MODEL

The weekday/weekend model utilizes the Capacity Model as a base. The cities of Everett and Monroe utilize a form of this model for establishing their rates. The base rate is reduced by 50% to calculate the Monday through Thursday weekday rate. Weekend rates are increased by 20% over week day rates. Non-Resident rates remain consistent with the current 10% increase over resident rates. This model provides more affordable rentals during the typically slower week day time periods, but higher during the more requested weekend periods. Through this Model, lower income areas of the city also benefit through the reduction of reservation fees for their local park. Rotary Park fees would be incrementally adjusted over a two cycle period, with Phase 2 being the final rates.

Table C-3 Weekday Weekend Model

SHELTER	CURRENT RESIDENT	CURRENT NON- RESIDENT	MON-THURS RESIDENT	MON-THURS NON-RESIDENT	FRI-SUN RESIDENT	FRI-SUN NON-RESIDENT
	1-4hrs/4+hrs	1-4hrs/4+hrs	1-4hrs/All Day	1-4hrs/All Day	1-4hrs/All Day	1-4hrs/All Day
Rotary	\$30/\$50	\$33/\$55	\$35/\$75	\$38.50/\$82.50	\$50/\$105	\$55/\$115.50
Washington	\$30/\$50	\$33/\$55	\$25/\$55	\$27.50/\$60.50	\$35/\$75	\$38.50/\$82.50
Lincoln	\$30/\$50	\$33/\$55	\$15/\$35	\$16.50/\$38.50	\$18/\$41	\$20/\$45
Methow	\$30/\$50	\$33/\$55	\$10/\$25	\$11/\$27.50	\$12/\$29	\$13.25/\$32

DIRECT COST RECOVERY MODEL

In this model the direct costs associated with the maintenance of the shelter is recovered. Reservation fees are based upon the current maintenance staff rates and include trash liners. No cities were currently utilizing this model.

Table C-4: Cost Recovery Model

SHELTER	CURRENT RESIDENT	CURRENT NON-RESIDENT	CR MODEL RESIDENT	CR MODEL NON-RESIDENT
	1-4hrs/4+hrs	1-4hrs/4+hrs	1-4hrs/4+hrs	1-4hrs/4+hrs
Rotary	\$30/\$50	\$33/\$55	\$35/\$45	\$38.50/\$49.50
Washington	\$30/\$50	\$33/\$55	\$35/\$45	\$38.50/\$49.50
Lincoln	\$30/\$50	\$33/\$55	\$35/\$45	\$38.50/\$49.50
Methow	\$30/\$50	\$33/\$55	\$35/\$45	\$38.50/\$49.50

Swimming Pool Fee Models

MARKET COMPARISON MODEL

Pool fees are generally classified by adult, child and family fees, price per swim and multi-use pass, and for indoor and outdoor pools. In 2010, a survey was completed by the Association of Washington Cities that compared admission fees for both indoor and outdoor pools. 188 cities and towns provided parks and recreation fee information for the survey. The average price per swim for an adult is \$3.57 and for a child is \$2.69. The average pool rental (indoor and outdoor) per hour is \$147.

A comparison of specific local agencies was completed by parks and recreation staff to determine consistency within the local market. 15 Washington cities and local organizations were used for comparison purposes.

AGENCY	YOUTH ADMISSION	ADULT ADMISSION	SWIMMING LESSONS	POOL RENTAL
Wenatchee City Pool	\$2.00/\$2.25	\$3.00/\$3.25	\$30.00/\$33.00	\$90.00-\$193.00 per hour depending on number of people
Cashmere	\$2.00	\$2.00	\$25.00/\$30.00	\$75.00/\$100.00
Leavenworth	\$3.50/\$4.50	\$3.50/\$4.50	\$27.00/\$32.00	\$65.00 per hour plus \$15.00 per hour per lifeguard
Quincy	\$2.50	\$3.50	\$24.00	\$60.00 for half pool or \$100.00 for full pool per hour plus \$20 per hour for additional lifeguards
Ephrata	\$5.00 per day	\$6.00 per day	\$25.00	\$150.00 per day
Chelan	N/A	N/A	\$30.00	N/A
Grandview	\$2.00	\$2.00	\$20.00/\$25.00	\$75.00 per hour
Selah	\$2.00	\$3.00	\$30.00/\$38.00	\$65.00/\$80.00
Ellensburg	\$2.15/\$2.60 per day	\$4.30/\$5.20 per day	\$29.00/\$38.00	
Yakima	\$2.00	\$3.75	\$37.50/\$46.25	Rental rate based on regular admission fees
Cheney	\$2.25	\$2.25	\$28.00/\$30.00	\$56.00-\$112.00 depending upon number of people
Kennewick	\$1.00	\$2.00	\$24.44/\$36.66	\$250.00/\$375.00
Omak	\$1.50	\$2.50	\$30.00	\$70.00
Moses Lake	\$7.00 per day	\$9.00 per day		
Wenatchee YMCA	\$2.00	\$5.00	\$35.00/\$55.00	
WRAC	\$0/\$5.00 per day	\$0/\$5.00 per day	\$58.00/\$62.00/\$65.00	

- Leavenworth has a differential structure that is similar to a resident /non-resident structure. The difference is that they utilize the pool taxing district as the dividing line. Those living within the district pay the lower rate than those that do not.
- Ellensburg adds sales tax separately to the fees listed.
- Chelan's swimming lesson program is held through a cooperative agreement for pool use with a local hotel.
- Cashmere, Grandview, Selah, Ellensburg, Yakima, Cheney and Kennewick have resident/non-resident rates for the swimming lesson program.
- Ephrata and Moses Lake are Water Parks.
- Ellensburg and the Wenatchee YMCA are indoor pools.
- WRAC and YMCA differential fee structure is based on members and non-members.

Community Center Room Use Fee Calculations

COST OF SERVICE

The following formulas were used to calculate community center room rental rates.

BASE INFORMATION

Total Facility Operations Cost	\$148,500
Total Staff Cost	\$85,000
Total Facility Cost:	\$63,500
Total Exclusive Rental Facility Square Foot	8,051
After Hours, hourly staff cost	\$47.50
Total Facility Available Hours (365 days x 15 hours)	5,475
Resident Discount Rate	10%
Rental Facility square footage % of total available to rent	

AREA	Sq. Ft.	Percent
Veterans Hall	984	12%
Kitchen	146	2%
After School Area	556	7%
Social Hall	2,774	34%
Kitchen	203	3%
Basement	1068	13%
Classroom	462	6%
College Leased Space	2320	29%

Current WVC Lease Value	\$22,440
Current Food Bank Lease Value	\$3,720
Current Veterans Lease Value	\$5,400
Overall Facility Cost Recovery Rate Required	\$27.40 per hour

CATEGORY II RENTAL COST PER HOUR FORMULA (BASE)

Annual Facility Expense X Percent of Rentable Space = Cost of Facility per Space
 Total Facility Available Hours X 20% Facility Used Occupancy = Facility Rental Hours
 Cost of Facility per Space Divided By Facility Rental Hours = Facility Cost per Hour per Space
 Annual Staff Expense X Percent of Rentable Space = Cost per Staff Space
 Total Facility Available Hours X 20% Facility Used Occupancy = Facility Rental Hours
 Cost of Staff per Space Divided By Facility Rental Hours = Staff Cost per Hour per Space
 Staff Cost Per Hour per Space + Facility Cost per Hour per Space = Total Space Rental Cost per Hour
 Total Space Rental Cost per Hour X 10% and added for Non-Resident Rates
 Numbers Rounded to the nearest dollar and adjusted for consistency

CATEGORY I RENTAL COST PER HOUR (REDUCED)

Annual Facility Expense X Percent of Rentable Space = Cost of Facility per Space
 Total Facility Available Hours X 20% Facility Used Occupancy = Facility Rental Hours
 Cost of Facility per Space Divided By Facility Rental Hours = Facility Cost per Hour per Space
 Annual Staff Expense X Percent of Rentable Space = Cost per Staff Space
 Total Facility Available Hours X 20% Facility Used Occupancy = Facility Rental Hours
 Cost of Staff per Space Divided By Facility Rental Hours = Staff Cost per Hour per Space
 Staff Cost Per Hour per Space + Facility Cost per Hour per Space = Total Space Rental Cost per Hour
 Total Space Rental Cost per hour X 50% = Total Reduced Space Rental Cost per Hour
 Total Reduced Space Rental Cost per Hour X 10% and added for Non-Resident Rates
 Numbers Rounded to the nearest dollar and adjusted for consistency

CATEGORY III RENTAL COST PER HOUR FORMULA (PRIME)

Annual Facility Expense X Percent of Rentable Space = Cost of Facility per Space

Total Facility Available Hours X 20% Facility Used Occupancy = Facility Rental Hours

Cost of Facility per Space Divided By Facility Rental Hours = Facility Cost per Hour per Space

Facility Cost per Hour per Space + After Hours Staff Hourly Cost = Total Space Rental Cost per Hour

Total Reduced Space Rental Cost per Hour X 10% and added for Non-Resident Rates

Numbers Rounded to the nearest dollar and adjusted for consistency

VETERAN'S HALL

Facility Base Rate:

$$\$63,500 \times 14\% = \$8,890$$

$$5,475 \times .20 = 1,095$$

$$\$8,890 / 1,095 = \$8.12/\text{hour}$$

Staff Base Rate:

$$\$85,000 \times 14\% = \$11,900$$

$$5,475 \times .20 = 1,095$$

$$\$11,900 / 1,095 = \$10.87$$

Total Rate:

$$\$8.12 + \$10.87 = \$18.99$$

Existing Base Rate: \$37/hour

Change Base Rate to: \$19/hour

AFTER SCHOOL AREA

Facility Base Rate:

$$\$63,500 \times 7\% = \$4,445$$

$$5,475 \times .20 = 1,095$$

$$\$4,445 / 1,095 = \$4.06/\text{hour}$$

Staff Base Rate:

$$\$85,000 \times 7\% = \$5,950$$

$$5,475 \times .20 = 1,095$$

$$\$5,950 / 1,095 = \$5.01$$

Total Rate:

$$\$4.06 + \$5.01 = \$9.07$$

Existing Base Rate: None

Change Base Rate to: \$10/hour

SOCIAL HALL

Facility Base Rate:

$$\$63,500 \times 37\% = \$23,495$$

$$5,475 \times .20 = 1,095$$

$$\$23,495 / 1,095 = \$21.46/\text{hour}$$

Staff Base Rate:

$$\$85,000 \times 37\% = \$31,450$$

$$5,475 \times .20 = 1,095$$

$$\$31,450 / 1,095 = \$28.72$$

Total Rate:

$$\$21.46 + \$28.72 = \$50.18$$

Existing Base Rate: \$43/hour

Change Base Rate to: \$50/hour

BASEMENT

Facility Base Rate:

$$\$63,500 \times 13\% = \$8,255$$

$$5,475 \times .20 = 1,095$$

$$\$8,255/1,095 = \$7.54/\text{hour}$$

Staff Base Rate:

$$\$85,000 \times 13\% = \$11,050$$

$$5,475 \times .20 = 1,095$$

$$\$11,900/1,095 = \$10.09$$

Total Rate:

$$\$7.54 + \$10.09 = \$17.63$$

Existing Base Rate: \$26/hour

Change Base Rate to: \$18/hour

FACILITY	CATEGORY I	CATEGORY I	CATEGORY II	CATEGORY II	CATEGORY III	CATEGORY III
	RESIDENT	NON-RESIDENT	RESIDENT	NON-RESIDENT	RESIDENT	NON-RESIDENT
Social Hall	\$25.00/hour	\$27.00/hour	\$50.00/hour	\$55.00/hour	\$97.00/hour	\$107.00/hour
Social Hall Kitchen	\$26.00/hour	\$29.00/hour	\$53.00/hour	\$58.00/hour	\$53.00/hour	\$58.00/hour
Veteran's Hall	\$10.00/hour	\$11.00/hour	\$19.00/hour	\$21.00/hour	\$66.00/hour	\$68.00/hour
Veteran's Hall Kitchen	\$26.00/hour	\$29.00/hour	\$53.00/hour	\$58.00/hour	\$53.00/hour	\$58.00/hour
Basement Meeting Room	\$9.00/hour	\$10.00/hour	\$18.00/hour	\$20.00/hour	\$65.00/hour	\$67.00/hour
Afterschool Program Area	\$5.00/hour	\$6.00/hour	\$10.00/hour	\$12.00/hour	\$49.00/hour	\$54.00/hour
DEPOSIT						
Dances, Quinceneras, Weddings and similar events and all events serving alcohol						\$500
Meetings, and events with fewer than 30 people						\$50
Governmental agencies						\$0

Resident/Non-Resident Differential Fees

In 2007, following a review of other parks and recreation agencies throughout the State, a differential fee structure was implemented which established a 10% discount on fees and charges to residents living within the corporate boundary of the City of Wenatchee. This rate structure was calculated at the average of those other entities reviewed.

In 2010 the Association of Washington Cities conducted a stateside survey to determine if differential rates were being used. Of the 177 cities that responded to the survey, twenty-five increased fees for non-residents, some with a percentage surcharge that averages 20% and others with a flat rate surcharge that ranged from \$2.00 to \$25.00 depending upon the program or service.

The following is a comparison of several local agencies.

AGENCY	RESIDENT DISCOUNT	NOTES
Wenatchee	10%	
Cashmere	N/A	No Programs
Leavenworth	N/A	No Programs
Quincy	0%	Varies
Ephrata	0%	
Chelan	N/A	No Programs
Grandview	33%	
Selah	\$5.00	Flat rate applied to each program regardless of fee.
Ellensburg	0%	No discount on programs
Yakima	17%	
Cheney	\$4.00	Flat rate applied to each program regardless of fee.
Kennewick	0-35%	Varies depending upon program. Each rate is different.
Omak	N/A	No Programs
Moses Lake	0%	
Wenatchee YMCA	N/A	Member and Non-Member rates.
WRAC	N/A	Member and Non-Member rates vary depending upon program.
Anacortes	0%	
Eastmont MPD	0%	
Bremerton	0-20%	Varies depending upon the program.
Longview	\$5.00	Flat rate applied to each program regardless of fee.
Marysville	0%	
Mount Vernon	\$2.00	Flat rate applied to each program regardless of fee.
Oak Harbor/South Whidbey	0%	
Pasco	33%	
Port Angeles	0-7%	Varies depending upon program. Each rate is different.
Pullman	0%	
Walla Walla	0%	